



Title: Title I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 09-26, Louisiana State Income Tax Withholding

Date: May 8, 2009

To: Holders of TAXES (State of Louisiana only)
Personnel User Groups
T&A Contact Points in Louisiana

Beginning with wages paid for Pay Period 15, the National Finance Center (NFC) will make the following changes to the state of Louisiana income tax withholdings:

- The Single and Married withholding tables will change.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to NFC's Home Page (www.nfc.usda.gov) and click the **Publications** link at the top of the page. At the Publications page right-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by "►◄".

For questions about NFC processing, contact the Payroll/Personnel Call Center at **504-255-4630**.

JOHN S. WHITE, Acting Director
Government Employees Services Division

Louisiana State Income Tax Information

State Abbreviation: LA
State Tax Withholding State Code: 22
Acceptable Exemption Form: L-4
Basis For Withholding: State Exemptions
Acceptable Exemption Data: S, M, 0 / Number of Dependents
TSP Deferred: Yes
Special Coding: None
Additional Information: None

Withholding Formula ►(Effective Pay Period 15, 2009)◄

1. Subtract the biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract nontaxable Federal Health Benefits Plan payments from the adjusted gross biweekly wages.
3. Add taxable fringe benefits (taxable life insurance, etc.) to the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages by 26 to determine the annualized gross pay.
5. Apply the annualized gross pay computed in step 4 to the following table to determine the annual gross tax amount.

Tax Withholding Table Single (Personal Exemption Code S and 0 (zero))

If the Amount of Taxable Income Is:		The Amount of Louisiana Tax Withholding Should Be:			Of Excess Over:
Over:	But Not Over:				
\$ 0	\$ 12,500	\$ 0	plus	2.10%	\$ 0
12,500	►50,000◄	262.50	plus	►3.70%◄	12,500
►50,000	and over	1,650.00	plus	5.05%	50,000◄

Tax Withholding Table Married (Personal Exemption Code M)

If the Amount of Taxable Income Is:		The Amount of Louisiana Tax Withholding Should Be:			Of Excess Over:
Over:	But Not Over:				
\$ 0	\$ 25,000	\$ 0	plus	2.10%	\$ 0
25,000	►100,000◄	525.00	plus	►3.75%◄	25,000
►100,000	and over	3,337.50	plus	5.10%	100,000◄

6. Determine the annual exemption amount by applying the following guidelines:

If the Employee Is Claiming Status As:	Then the Annual Exemption Allowance Should Be:
Zero – Personal Exemption Code 0 (zero)	\$ 0
Single – Personal Exemption Code S	\$ 4,500
Married – Personal Exemption Code M	\$ 9,000

If the employee claims any dependent exemptions, multiply each by \$1,000 and add this to the annual exemption amount computed above.

Note: The personal exemption code is based on the marital status in the first position of the exemption code recorded on the Information/Research Inquiry System (IRIS), Program IR105, State Tax, and the dependent exemptions are the last two positions of the exemption code on IRIS Program 105. For example, if the employee has an exemption code of **M02**, they would receive an annual exemption amount of \$11,000 which is \$9,000 for Married and \$2,000 for the 2 dependent exemptions.

7. Apply the annual exemption amount computed in step 6 to the following table to determine the annual tax credit.

Annual Tax Credit				
Single				
(Personal Exemption Code S and 0 (zero))				
Annual Exemption		The Amount of Louisiana Tax Withholding Should Be:		
Over:	But Not Over:			Of Excess Over:
\$ 0	\$ 12,500	\$ 0	plus 2.10%	\$ 0
12,500	and over	262.50	plus ▶3.70%◀	12,500

Annual Tax Credit				
Married				
(Personal Exemption Code M)				
Annual Exemption		The Amount of Louisiana Tax Withholding Should Be:		
Over:	But Not Over:			Of Excess Over:
\$ 0	\$ 25,000	\$ 0	plus 2.10%	\$ 0
25,000	and over	525.00	plus ▶3.75%◀	25,000

8. Subtract the annual tax credit computed in step 7 from the annualized gross tax amount computed in step 5 to determine the annual Louisiana tax withholding amount.
9. Divide the annual Louisiana tax withholding amount by 26 to obtain the biweekly Louisiana tax withholding amount.